

STATE OF ARIZONA ARIZONA STATE LIQUOR BOARD 800 WEST WASHINGTON, 5TH FLOOR PHOENIX, AZ 85007

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DOUGLAS A. DUCEY Governor

MICHAEL J. TROYAN Board Chair JOHN COCCA Director

Arizona State Liquor Board Hearing Minutes December 7, 2017

Members Present:

Michael J. Troyan - Chair, Troy L. Campbell - Vice Chair, Michael N. Widener, and

Jeffrey K. Oravits

Members Absent:

None

Counsel Present:

Michael Raine, Assistant Attorney General Elizabeth Campbell, Assistant Attorney General

Staff Present:

Denise Bale, Board Administrator

A. Call to Order

The hearing of the Arizona State Liquor Board was called to order on December 7, 2017 at 10:00 a.m. with Mr. Troyan presiding.

Roll Call

All members were present.

B. 10:00 a.m. Agenda: Review, consideration and action

The Board proceeded to agenda item number 2.

2. Restaurant Liquor License No. 1207B073 - Original Application

Jeffrey Craig Miller, Agent First Draft LLC First Draft 300 W. Camelback Road #1 Phoenix, AZ 85013

This matter is set for hearing because of a Department protest. The Agent, Jeffrey Craig Miller, appeared at the hearing and was not represented by counsel. Assistant Attorney General Michael Raine appeared on behalf of the Department of Liquor Licenses and Control (Department). Assistant Attorney General Elizabeth Campbell was present and provided independent legal advice to the Board. The Applicant filed a request to withdraw its application on December 5, 2017.

Mr. Widener disclosed a conflict of interest and recused himself from participating in the hearing. Without a quorum, Ms. Campbell advised the Board to continue the hearing to the next Board meeting before a three-person panel consisting of Chair Michael Troyan, Vice Chair Troy Campbell and Board member Jeffrey Oravits.

The Board proceeded to agenda item number 1.

Bar Liquor License No. 06070571 and Restaurant Liquor License No. 12079537 – Appeal of Director's Decision & Order

In the matter of the Liquor License No. 06070571 In the matter of the Liquor License No. 12079537

issued to: issued to:

Lauren Kay Merrett, Agent Jason Bowen, Agent Monkey Business LTD HGJB Enterprises, LLC

Dba Uncle Monkey's Dba What the Hell Bar & Grill 1720 W. Southern Avenue, C3 7303 E. Main Street, #115 and 116

Mesa, AZ 85202 Mesa, AZ 85207

This matter is set for hearing because the Licensee requests that the Board reverse the Decision and Order of the Department Director in Complaint number 16A-0002-LIQ issued October 4, 2017. Counsel for the Agent, Nelson A.F. Mixon, appeared at the hearing. Jason Bowen appeared in support of the Licensee. Assistant Attorney General Michael Raine appeared on behalf of the Department. Assistant Attorney General Elizabeth Campbell was present and provided independent legal advice to the Board.

Mr. Mixon presented an opening statement. Mr. Raine presented an opening statement. Mr. Mixon argued that Respondent 2, HGJB Enterprises, LLC, was not in violation of A.R.S. §§ 4-210(K)(3), 4-210(K)(4), and 4-210(K)(5), as stated in the Director's Decision and Order. Mr. Mixon continued, the Director's Decision and Order found that Respondent 2 was in violation of A.A.C. R19-1-505(A), (B), (C), and (D) relating to acts of violence on the licensed premises. Mr. Mixon argued that acts of violence were not reported by Respondent 2 because there was nothing to report, and based on no finding of violations, the entire decision as to Respondent 2 should be reversed.

Mr. Raine acknowledged that there is an error in the Department's Order with the citations of §§ 4-210(K)(3), 4-210(K)(4), and 4-210(K)(5). Mr. Raine continued, the record from the Administrative Law Judge Decision and the Department's Complaint is clear that the only issue Respondent 2 faced was being capable, qualified and reliable. Mr. Bowen is a controlling person of both Uncle Monkey's and HGJB. If Mr. Bowen is not capable, qualified and reliable to hold a license, then he is not capable, qualified and reliable as a controlling person of a licensee. Mr. Raine stated that he has no objection to modifying the Director's Decision and Order to correct the error.

Mr. Mixon presented arguments for reversing the Director's Decision and Order. Mr. Raine presented arguments for affirming the Director's Decision and Order with technical corrections that have been discussed. There were Board questions.

Mr. Mixon presented a closing statement. Mr. Raine presented a closing statement.

Mr. Widener made a motion to affirm with modification the Decision and Order of the Director as follows: (1) to replace "Count(s) 6 and 12 of the Complaint" on the second page of the Decision and Order with citations to the statutes A.R.S. §§ 4-244(32) and 4-210(A)(12); and (2) to replace the violations found against Respondent 2 on the second page of the Decision and Order with A.R.S. § 4-210(A)(2).

There was Board discussion.

Motion to affirm Decision and Order

of the Director with modification - Widener Seconded - Campbell

Yay - Widener, Campbell, Oravits, Troyan,

Nay - None Abstained - None

Disposition - Decision and Order of the Director affirmed with modification

The Board recessed from 12:11 p.m. to 12:15 p.m.

C. 2018 Hearing Schedule: Review, Consideration and Action

Motion to approve the tentative

2018 Hearing Schedule -

Widener Campbell

Seconded -

Widener, Campbell, Troyan, Oravits

March 16, 2018

Yay -Nay -

None

Abstained -

None

Disposition -

2018 Hearing Schedule approved

D. Reports on Current Events, Matters of Board Procedure, Requests and Items for Future Agenda

A special panel will meet January 11, 2018, to hear agenda item no. 2. The next Board meeting will be January 11, 2018.

E. Call to the Public

Jeffrey Craig Miller, Arizona Liquor Industry Consultants, addressed the Board.

The Board adjourned at 12:27 p.m.

Denise M. Bale

Administrator of the Arizona State Liquor Board